

TAB

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Approved For Release 2005/07/01 : CIA-RDP80B01495R000500120004-3

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DDI-2189-74

SAC/DDO NO. 1057
17 July 1974

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: The Character of the Emerging
World Economic Crisis

1. Several of my contacts in the international business world have recently, in one way or another, expressed deep concern that the world is headed for a depression and that the current political and social fibre of most countries will not withstand the pressures of a serious economic depression. Each expressed skepticism that the USG was adequately focused on this problem.

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3. Last evening I had dinner with Hank Greenberg, the President of the American International Underwriters' Insurance Group. I have come to respect his views because (a) he has affiliated companies in 130 countries or territories; (b) he obtains a continuing political/economic assessment from all of these companies; (c) he runs a very tight organization; (d) he puts a major effort into maintaining personal contacts at the political level in all of the key countries. Greenberg feels that the basic problem is that expectation of economic betterment has gradually assumed an illusory character in most countries, industrialized and developing. This adds a psychological and political dimension to the formula that

i.e., that "our modern societies are consuming more than they produce. This cannot go on forever and the process of deterioration has merely been hastened by the brutal change in international terms of trade with the quadrupling of oil prices."

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

The Character of the Emerging World Economic Crisis

FROM:

James H. Critchfield - 2 B 1415

EXTENSION

NO.

SAC/DDO No. 1057

STAT

DATE

17 July 1974

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

DDI
7 E 44 HOS

2.

EX-1
(Please pass to Mr. Proctor's Secretary)

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15.

CIA INTERNAL USE ONLY

25X1

MEMORANDUM FOR: Messrs. *Proctor/Walsh*

File: also Economic

Critchfield reports that several of his contacts are expressing deep concern that the world is headed for a depression.

He also has forwarded a memcon of

I will send copies to OCI, OPR, OSR, & OBGI. OER already has a copy.

Done 7/22/74 OK EW

22 July 74
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)